

ESTTA Tracking number: **ESTTA751850**

Filing date: **06/12/2016**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91227653
Party	Defendant Bullshine Distillery LLC
Correspondence Address	KENDAL M. SHEETS Sheets Law Office PO Box 71 Mc Lean, VA 22101-0071 ksheets@sheetspatent.com;ken@sheetspate
Submission	Answer and Counterclaim
Filer's Name	Kendal M. Sheets
Filer's e-mail	ksheets@sheetspatent.com
Signature	/Kendal M. Sheets/
Date	06/12/2016
Attachments	7009_BS4_Answer.pdf(201900 bytes)

Registrations Subject to the filing

Registration No	2852432	Registration date	06/15/2004
Registrant	SAZERAC BRANDS, LLC 10400 LINN STATION ROAD, SUITE 300 LOUISVILLE, KY 40223 UNITED STATES		

Goods/Services Subject to the filing

Class 033. First Use: 1988/09/00 First Use In Commerce: 1988/09/00
All goods and services in the class are requested, namely: LIQUEURS

Grounds for Cancellation

The mark is or has become generic	Trademark Act Sections 14(3), or Section 23 if on Supplemental Register		
Fraud on the USPTO	Trademark Act Section 14(3); In re Bose Corp., 580 F.3d 1240, 91 USPQ2d 1938 (Fed. Cir. 2009)		
Registration No	2852432	Registration date	06/15/2004
Registrant	SAZERAC BRANDS, LLC 10400 LINN STATION ROAD, SUITE 300 LOUISVILLE, KY 40223 UNITED STATES		

Goods/Services Subject to the filing

Class 033. First Use: 1988/09/00 First Use In Commerce: 1988/09/00
All goods and services in the class are requested, namely: LIQUEURS

Grounds for Cancellation

Fraud on the USPTO		Trademark Act Section 14(3); In re Bose Corp., 580 F.3d 1240, 91 USPQ2d 1938 (Fed. Cir. 2009)	
Registration No	3550110	Registration date	12/23/2008
Registrant	SAZERAC BRANDS, LLC 10400 LINN STATION ROAD, SUITE 300 LOUISVILLE, KY 40223 UNITED STATES		

Goods/Services Subject to the filing

Class 033. First Use: 2007/04/00 First Use In Commerce: 2007/04/00 All goods and services in the class are requested, namely: Whisky

Grounds for Cancellation

The mark is or has become generic		Trademark Act Sections 14(3), or Section 23 if on Supplemental Register	
Registration No	3734227	Registration date	01/05/2010
Registrant	SAZERAC BRANDS, LLC 10400 LINN STATION ROAD, SUITE 300 LOUISVILLE, KY 40223 UNITED STATES		

Goods/Services Subject to the filing

Class 033. First Use: 2007/04/00 First Use In Commerce: 2007/04/00 All goods and services in the class are requested, namely: Whiskey

Grounds for Cancellation

The mark is or has become generic		Trademark Act Sections 14(3), or Section 23 if on Supplemental Register	
-----------------------------------	--	-------------------------------------------------------------------------	--

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the Matter of: Application Serial No. 86/750,668

For the Mark: BULLSHINE FIREBULL

Filed: September 8, 2015

Sazerac Brands, LLC)	
Opposer,)	
)	
)	Opposition No.: 91227653
v.)	
)	
Bullshine Distillery, LLC)	
Applicant.)	
)	
)	
)	

ANSWER TO NOTICE OF OPPOSITION

Applicant, Bullshine Distillery, LLC (“Applicant”) hereby replies to the numbered grounds for opposition set for in Opposer’s Notice of Opposition as follows:

1. Applicant lacks knowledge or information sufficient to form a belief as the truth of the allegations in paragraph 1 of the Notice and therefore denies the allegations.
2. Applicant lacks knowledge or information sufficient to form a belief as the truth of the allegations in paragraph 2 of the Notice and therefore denies the allegations.
3. Applicant makes no answer to the allegations in paragraph 3 of the Notice to the extent those allegations state legal conclusions rather than facts. Further, Applicant lacks knowledge or information to form a belief as to the truth of the allegations in paragraph 3 and therefore denies those allegations.
4. Answering paragraph 4 of the Notice, in response to the allegations related to Opposer’s Reg. No. 2,852,432 for FIREBALL, Reg. No. 3,550,110 for FIREBALL, Reg. No. 3,734,227 for FIREBALL and design, and Reg. No. 4,564,436 for FUEL YOUR FIRE (the

“Registrations”), the details of the Registrations are matters of public record and speak for themselves. Applicant lacks knowledge or information to form a belief as to the truth of the allegations in paragraph 4 and therefore denies those allegations.

5. Answering paragraph 5 of the Notice, Applicant denies that Opposer’s pleaded mark is well-known. Applicant lacks knowledge or information sufficient to form a belief as the truth of the remaining allegations in paragraph 5 and therefore denies the allegations.

6. Answering paragraph 6 of the Notice, the details related to the Application, including filing dates and other details concerning the Applicant, are a matter of public record and speak for themselves.

7. Answering paragraph 7 of the Notice, the details related to the Registrations, including filing dates and other details concerning the Applicant and Opposer, are a matter of public record and speak for themselves. Applicant lacks knowledge or information to form a belief as to the truth of the remaining allegations in paragraph 7 and therefore denies those allegations.

8. Answering paragraph 5 of the Notice, Applicant denies that Opposer’s pleaded mark is strong and well-known. Applicant lacks knowledge or information sufficient to form a belief as the truth of the remaining allegations in paragraph 8 and therefore denies the allegations.

9. Applicant denies the allegations of paragraph 9 of the Notice. To the extent the allegations refer to the Application and the Registrations, the details related to the Registrations, including filing dates and other details concerning the Applicant and the Opposer, are a matter of public record and speak for themselves.

10. Applicant denies the allegations of paragraph 10 of the Notice.

11. Applicant denies the allegations of paragraph 11 of the Notice.

12. Applicant lacks knowledge or information sufficient to form a belief as the truth of the allegations in paragraph 12 of the Notice related to the Opposer's channels of trade and therefore denies the allegations. To the extent the allegations refer to the Application and the Registrations, the details related to the Registrations, including filing dates and other details concerning the Applicant and the Opposer, are a matter of public record and speak for themselves. Applicant makes no answer to the allegations in paragraph 12 of the Notice to the extent those allegations state legal conclusions rather than facts.

13. Applicant denies the allegations of paragraph 13 of the Notice.

14. Applicant denies the allegations of paragraph 14 of the Notice.

15. Applicant denies the allegations of paragraph 15 of the Notice.

16. Applicant denies the allegations of paragraph 16 of the Notice.

AFFIRMATIVE DEFENSES

Applicant asserts that the following affirmative defenses bar Opposer's requested relief in its Notice of Opposition.

FIRST AFFIRMATIVE DEFENSE

17. One or more of Opposer's claims fail to state a claim upon which relief may be granted.

SECOND AFFIRMATIVE DEFENSE

18. Opposer's FIREBALL mark cannot be accorded the deference due to a strong, well-known, inherently distinctive and/or arbitrary mark, because it is neither strong, well-known, inherently distinctive, nor arbitrary.

THIRD AFFIRMATIVE DEFENSE

19. Opposer is estopped from enforcing the pleaded Registration No. 2,852,432 for FIREBALL under the equitable doctrine of unclean hands because the pleaded Registration No. 2,852,432 was maintained fraudulently, deceitfully and/or by misrepresentation such that Opposer should be denied relief herein.

COUNTERCLAIM

FIRST GROUND

20. Applicant repeats and realleges each and every allegation set forth in the preceding paragraphs as if set forth herein. Applicant hereby seeks cancellation of Opposer's Registration No. 2,852,432 for FIREBALL because this registration was maintained fraudulently.

21. At the time of the application of the 2,852,432 trademark on November 14, 2001 Opposer's predecessor-in-interest, Mohawk Distilled Products, L.P. ("Mohawk"), applied to the U.S. Patent and Trademark Office (USPTO) for the mark FIREBALL under 15 U.S.C. § 1051(a) based on first use of the mark in commerce in September, 1988. The description of goods applied for was "liqueurs." The specimen submitted of the trademark as actually used in commerce was a graphic including jagged lines pointing away from the words "HOT FIREBALL LIQUEUR." The 2,852,432 trademark was registered on June 15, 2004 for Liqueurs, in class 33 (U.S. Cls. 47 and 49).

22. Opposer made fraudulent and misleading statements in maintaining the 2,852,432 trademark in 2009 in that Opposer falsely claimed to use the trademark in connection with the list of goods in the registration. Opposer's fraudulent maintenance of the 2,852,432 trademark

in 2014 has proximately caused damage to Applicant including having to expend legal fees and its time in order to defend its Application in the present opposition against Opposer's invalid registration. On August 5, 2009 Opposer filed a Combined Declaration of Use and Incontestability under Sections 8 & 15 for the 2,852,432 trademark. Mr. Todd Botempts, Attorney of Record for Opposer, signed the Sections 8 & 15 declaration affirming that the mark has been in continuous use in commerce on or in connection with the goods and/or services as evidenced by the attached specimen showing the mark as used in commerce and is still in use in commerce. Opposer submitted one specimen purported to be an "actual photograph of registrant's product." The specimen includes a photograph of a bottle with a label that states in part, "Dr. McGILLICUDDY'S IMPORTED FIREBALL, ORIGINAL FORMULA, CINNAMON FLAVORED WHISKY," IMPORTED BY SAZERAC, CO., INC." A Notice of Acceptance and Acknowledgement of §§8 & 15 Declaration was mailed by the USPTO on September 4, 2009.

23. Opposer made fraudulent and misleading statements in maintaining the 2,852,432 trademark in 2014 in that Opposer falsely claimed to use the trademark in connection with the list of goods in the registration. Opposer's fraudulent maintenance of the 2,852,432 trademark in 2014 has proximately caused damage to Applicant including having to expend legal fees and its time in order to defend its Application in the present opposition against Opposer's invalid registration. On June 4, 2014 Opposer filed a Combined Declaration of Use and/or Excusable Nonuse/Application for Renewal of Registration of a Mark under Sections 8 & 9 for the 2,852,432 trademark. Mr. Todd Botempts, Attorney of Record for Opposer, signed the declarations affirming that the attached specimen showed the mark as used in commerce. Opposer submitted one specimen purported to be an "actual photograph of Registrant's product."

The specimen includes a photograph of a bottle with a label that states in part, “FIREBALL RED HOT WHISKY, WHISKY WITH NATURAL CINNAMON FLAVOR.” A Notice of Acceptance Under Section 8 and a Notice of Registration Renewal Under Section 9 was published by the USPTO on June 5, 2014.

24. In each Declaration for the Combined Declaration of Use and Incontestability under Sections 8 & 15 and the Combined Declaration of Use and/or Excusable Nonuse/Application for Renewal of Registration of a Mark under Sections 8 & 9, Opposer affirmed use of the 2,852,432 trademark for “liqueurs,” but submitted specimens of the mark being used for “whisky.” At no time during the maintenance of the 2,852,432 trademark did Opposer submit any evidence of goods for which the 2,852,432 trademark was identified with “Liqueurs.” Applicant believes it will be damaged by the continuing registration of the fraudulently registered 2,852,432 trademark. Applicant is proximately damaged by the continuing registration of the 2,852,432 trademark including having to expend legal fees and its time in order to defend its Application in the present opposition against Opposer’s invalid registration.

25. Opposer knows or should have known the legal and regulatory difference between a “whisky” and a “liqueur.” Whisky and liqueurs sold in the United States are strictly regulated by the U.S. Department of Treasury, Alcohol and Tobacco Tax and Trade Bureau (the “TTB”). Under 27 C.F.R. § 5.22(h) “Cordials and liqueurs are products obtained by mixing or redistilling distilled spirits with or over fruits, flowers, plants, or pure juices therefrom, or other natural flavoring materials, or with extracts derived from infusions, percolation, or maceration of such materials, and containing sugar, dextrose, levulose, or a combination thereof, in an amount not less than 2 1/2 percent by weight of the finished product.” A label on a distilled spirit bottle must contain a designation that accurately identifies the product in the bottle. The regulations

are quite specific as to the ingredients and processes used to produce a product of a given class or type. *See 27 C.F.R. § 5.35 Class and type.* Any producer of distilled spirits must identify to the TTB in a Certification of Label Approval (COLA) application the class of distilled spirits being sold before the producer can obtain a label for, and sell, the spirit under that classification. *See The Beverage Alcohol Manual (BAM), Department of the Treasury, Alcohol & Tobacco Tax & Trade Bureau, Ch. 4.*

26. Opposer knows or should have known the difference between “whisky” and “liqueurs” because Opposer’s trademark registration for FUEL YOUR FIRE was registered in class 33 for the goods “Distilled spirits and liqueurs; prepared alcoholic cocktails.” Opposer listed “liqueurs” as a separate product from “distilled spirits,” and did not register the trademark for “whisky.”

27. The 2,852,432 trademark is not incontestable. The incontestability of a facially incontestable mark can be defended against and the incontestability refuted if “the registration or the incontestable right to use the mark was obtained fraudulently” 15 U.S.C. § 1115(b)(1). Because the registration of the 2,852,432 trademark was maintained fraudulently, as pleaded previously, any alleged incontestability of the 2,852,432 trademark is successfully overcome.

SECOND GROUND

28. Applicant repeats and realleges each and every allegation set forth in the preceding paragraphs as if set forth herein. Applicant hereby seeks cancellation of Opposer’s trademark registrations for Reg. No. 2,852,432 for FIREBALL, Reg. No. 3,550,110 for FIREBALL, Reg. No. 3,734,227 for FIREBALL and design (the FIREBALL registrations) on the ground that the marks are generic for the identified goods. Such use is, therefore, not entitled

to the legal presumptions awarded to a federal trademark owner by the issuance of a federal trademark registration and such registrations are subject to cancellation under Section 14 of the Lanham Act, 15 U.S.C. § 1064.

29. A “fireball” is an alcoholic drink that includes an alcohol and a spicy flavoring element such as cinnamon or hot sauce.

30. Published recipes for alcoholic drinks historically refer to drinks that include an alcohol, such as cinnamon schnapps, and a spicy flavoring element, such as cinnamon or hot sauce, as a “fireball.”

31. Sellers of alcoholic drinks may use the term “fireball” as an appropriate description of their goods and services because the term is generic for a whisky-based alcoholic drink.

32. The FIREBALL registrations are generic terms for the identified goods.

33. “Fireball” is generic for liqueur and/or whisky within the meaning of 15 U.S.C. § 1052(e)(1) and Section 14 of the Trademark Act, 15 U.S.C. § 1064.

34. During prosecution of Opposer’s trademark DR. MCGILLICUDDY’S FIREBALL (Reg. No. 2,847,730), the Examining Attorney required a disclaimer from Sazerac of the term “FIREBALL” as being merely descriptive because a “fireball” is a whiskey based alcoholic drink. Sazerac agreed and disclaimed the term “FIREBALL” from the application. The acts of Opposer combined with prior published knowledge and recipes for how to make a “fireball” alcoholic drink, demonstrate FIREBALL has become a generic name for the goods and services.

35. Applicant believes it will be damaged by the continuing registration of the FIREBALL registrations. Applicant is proximally damaged by the continuing registration of the

FIREBALL registrations including having to expend legal fees and its time in order to defend its Application in the present opposition against Opposer's invalid registrations.

Applicant reserves the right to assert additional defenses and/or counterclaims based upon information learned or obtained during discovery.

PRAYER FOR RELIEF

WHEREFORE, Applicant prays for judgment as follows:

- (a) This opposition be dismissed with prejudice;
- (b) Opponent's Sections 8, 9, and 15 affidavits for Registration No. 2,852,432 be declared invalid;
- (c) That the Trademark Trial and Appeals Board (TTAB) direct the United States Commissioner for Trademarks, pursuant to 15 U.S.C. § 1119, to cancel Sazerac's United States Trademark Reg. Nos. 2,852,432; 3,550,110; and 3,734,227;
- (d) That the TTAB award Applicant its costs in connection with this Opposition;
and
- (e) Registration for Applicant's Trademark application Serial No. 86/750,668 be issued to the Applicant.

Respectfully Submitted,

/Kendal M. Sheets/
Kendal M. Sheets
Attorney for Applicant

SHEETS LAW OFFICE LLC
P.O. Box 71
McLean, VA 22101

3000 K Str. NW, Suite 310
Washington, DC 20007
Tel. 703-489-8937

CERTIFICATE OF SERVICE

I hereby certify that I mailed the foregoing **ANSWER TO NOTICE OF OPPOSITION** regarding *Sazerac Brands, LLC v. Bullshine Distillery LLC*, Opposition No. 91227653, to the listed Attorney of Record for Opposer by depositing a true and correct copy of the same via United States first class mail, postage prepaid, in an envelope addressed to:

Thomas M. Hadid
Cooley LLP
1299 Pennsylvania Ave., NW
Suite 700
Washington, DC 20004

Date: June 12, 2016

By: /Kendal M. Sheets/
Kendal M. Sheets